

April 2, 2012

Mr. Ronald W. Smith
Corporate Secretary
Municipal Securities Rulemaking Board
By Email (CommentLetters@msrb.org)
1900 Duke Street, Suite 600
Alexandria, Virginia 22314

Re: Response of Virginia College Savings Plan to MSRB Notice 2012-10 (March 1, 2012) –
*Request for Comment on a Concept Proposal for Electronic Dissemination of 529 College
Savings Plan Disclosure Documents*

Dear Mr. Smith:

The Virginia College Savings Plan (VA529) is the nation's largest 529 plan, with over 2.1 million accounts and 34 billion dollars in assets under management as of December 31, 2011. Since 1994, we have provided affordable, flexible, and tax-advantaged college savings programs for our customers. We presently sponsor four 529 programs: the Virginia Education Savings TrustSM (VESTSM), the Virginia Prepaid Education ProgramSM (VPEPSM), CollegeAmerica[®], and CollegeWealth[®].

Effective disclosure to VA529 means clearly conveying material information to customers in a manner that is easily accessible. Online availability of 529 plan disclosure documents which conform to the College Savings Plans Network's Disclosure Principles, Statement No. 5 and MSRB Rules G-17 and G-32 meets this standard and permits 529 participants to readily review and consider important information about 529 plans.

While disclosure documents are important in fostering knowledge of 529 plans, VA529 uses multiple platforms to educate the public about 529 plans, both grass roots efforts and multi-media, including online. Our Customer Service group offers information by phone and email. We routinely participate in educational seminars for the general public and for finance, accounting and legal professionals, in person and online. VA529 frequently sponsors or participates in community and sporting events including the Monument Avenue 10k, various high school and collegiate athletic and academic events, Young Writer's contests and NASCAR races in an effort to reach a broad audience with information about 529 college savings programs. We promote our participation in events, in part, through social media including Facebook and Twitter. VA529 is developing a college savings mobile application and currently provides college savings calculator tools on our website at Virginia529.com.

VA529 does not support a summary disclosure requirement. Like many other 529 plans, in addition to our disclosure documents, we currently use a highlights document with summary information and we believe this is an effective means of communication.

Immediately below are VA529's responses to the Notices' specific questions:

1. *What 529 plan disclosure documents are delivered by dealers to customers?*

VA529's dealer-sold program is CollegeAmerica and customers receive the program description and prospectuses.

2. *How are such disclosure documents delivered by dealers to customers (e.g., hard copy, electronic delivery of PDFs)?*

Program descriptions are sent in hard copy. Prospectuses are sent electronically if an investor has elected e-delivery.

3. *When are such disclosure documents delivered by dealers to customers (e.g., at account opening, at or prior to the time of trade, or at settlement)?*

The disclosure documents are delivered at or prior to the time of settlement.

4. *Should investors in 529 plans receive plan disclosure documents in hard copy prior to making an investment decision?*

Although investors should have access to all material information related to a 529 plan in order to make an informed investment decision, it is not necessary for the information to be delivered in hard copy. 529 participants should have the ability to choose whether to receive disclosure documents in hard copy or electronically (e.g., electronic delivery or online access to a PDF file of the disclosure document). Supporting this position are the many benefits of electronic documents including that they are easily accessible, searchable, and, when compared to hard copies, much faster and easier to update which reduces, possibly even eliminates, the need for separate supplements.

5. *Do investors in 529 plans have the requisite sophistication to access plan disclosure documents electronically?*

We are not aware of any studies on this particular issue; however, we believe 529 participants should be given the option to access disclosure documents online. Strong anecdotal evidence exists that a large majority of our customers already use the internet to access information on our 529 programs and open accounts online. Our website averages 50,000 website visitors and 150,000 page views per month. In addition, for our direct-sold programs, 92% of our accounts in 2011 were opened online. We have also received no negative feedback from customers on accessing disclosure documents online.

6. *Do investors in 529 plans have the requisite sophistication to review plan disclosure documents online by reference to a URL?*

Please see our response to Question 5.

7. *Have customers expressed a preference for receiving plan disclosure documents in hard copy or online?*

We have no reports on customers actually expressing a preference on this issue. However, as stated above, 92% of our direct-sold accounts are opened through an online process which includes electronic versions of our disclosure documents.

8. *Is there a benefit to customers in receiving the hard copy of the Plan Disclosure Document by settlement of the transaction?*

While some benefit may be derived from delivering disclosure materials after 529 account opening, the better practice points to providing materials earlier and making them easily accessible to a person considering opening a 529 account. A primary goal of plan disclosure documents is to provide material information necessary to make an informed decision. Online access of documents permits customers to review and consider information about 529 account ownership prior to beginning the application process and makes it easier to review program materials of multiple 529 plans, allowing a prospective customer to compare and contrast each plan's features.

9. *Have customers described any benefits or drawbacks to receiving documents in hard copy?*

We have no record of any customer comments on this issue.

10. *Have customers described any benefits or drawbacks to receiving documents electronically?*

We have no record of any customer comments on this issue.

11. *Although account owners who open their accounts online are likely to anticipate receiving electronic delivery of documents through that online process, would it be appropriate for account owners that open their accounts through an office visit or by phone to then be expected to receive electronic delivery of documents?*

VA529 believes it should be left to the customer to decide for themselves how best to obtain disclosure documents. Inherently, however, we see no issue with a person who opens an account through an office visit or over the phone receiving disclosure documents electronically.

12. *Have clients who have established online accounts, whether through direct-sold or advisor-sold programs, expressed concern about delivery of plan disclosure documents electronically?*

We have no record of any customer comments on this issue.

13. *Could any cost savings achieved through lower mailing or printing costs as a result of implementation of an electronic access program be passed on to customers?*

VA529 always strives to keep fees and other costs as low as possible and will use any costs savings obtained through electronic access in the best interests of our customers.

14. *Have customers expressed confusion about the difference between complete Plan Disclosure Documents and plan disclosure supplements or amendments?*

We have no record of any customer comments on this issue.

15. *Is there a difference in sophistication between individuals who invest in 529 Plans and individuals who purchase traditional municipal securities such that an electronic access program would be inappropriate for 529 Plan customers?*

VA529 believes there is no difference in the level of sophistication -- as it relates to access to the internet or the skills required to locate, read and print a disclosure document from the web -- between the typical 529 plan investor and the purchaser of any other municipal security.

We appreciate the opportunity to comment on the Notice and look forward to continuing to work with the MSRB to enhance education and information about 529 college savings programs.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mary G. Morris', followed by a long horizontal line extending to the right.

Mary G. Morris
Chief Executive Officer
Virginia College Savings Plan